



# **EMERGENCY SOLUTIONS GRANT (ESG) WRITTEN STANDARDS v.3**

Updated: March 2021

Street Outreach  
Emergency Shelter  
Rapid Re-Housing  
Homelessness Prevention

## **DEFINITIONS:**

**At risk of homelessness** (24 CFR 576.2) means:

(1) An individual or family who:

(i) Has an annual income below 30 percent of median family income for the area, as determined by HUD;

(ii) Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “homeless” definition in this section; and

(iii) Meets one of the following conditions:

(A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;

(B) Is living in the home of another because of economic hardship;

(C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;

(D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals;

(E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau;

(F) Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or

(G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan;

(2) A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or section 17(b) (15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or

(3) A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

**Certification** means a written assertion, based on supporting evidence that must be kept available for inspection by HUD, by the Inspector General of HUD, and by the public. The certification shall be deemed to be accurate unless HUD determines otherwise, after inspecting the evidence and providing due notice and opportunity for comment.

**City** means the City of Moreno Valley and/or its staff.

**Consolidated Plan** means the plan prepared in accordance with 24 CFR Part 91.

**Continuum of Care (CoC)** means the County of Riverside Continuum of Care. The CoC program is designed to promote communitywide commitment to the goal of ending homelessness; provide funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness; promote access to and effect utilization of mainstream programs by homeless individuals and families; and optimize self-sufficiency among individuals and families experiencing homelessness.

**Grantee** means the legal entity to which HUD awards an ESG grant and which is accountable for the use of the funds provided. In this case, the City of Moreno Valley is the Grantee.

**Homeless** means an individual or family which is considered homeless as determined under Section 103, 42 USC 11302 of the McKinney Vento Act, as amended by the HEARTH Act (24 CFR 576.2) under one of the following four categories:

- 1) Lacks a fixed, regular and adequate nighttime residence which includes a subset for an individual who resided in an emergency shelter or a place not meant for human habitation and who is exiting an institution where he or she temporarily resided for 90 days or less (i.e.: residing in places not meant for human habitation, such as cars, parks, sidewalks, and abandoned buildings, or on the street);
- 2) Individuals and families who will imminently lose their primary nighttime residence (within 14 days of the date of application for homeless assistance) (i.e.: court order to vacate, lack of resources to continue staying in a hotel or motel, or no longer allowed by owner or renter of housing to stay) and no subsequent residence had been identified, and the individual or family

lacks the resources or support networks needed to obtain other permanent housing.. This includes persons residing in an emergency shelter but not transitional housing;

- 3) Unaccompanied youth under 25 years of age and families with children and youth who are defined as homeless under the other federal statutes who do not otherwise qualify as homeless under these definitions but who:
  - i. Are defined as homeless under section 387 of the Runaway and Homeless Youth Act ([42 U.S.C. 5732a](#)), section 637 of the Head Start Act ([42 U.S.C. 9832](#)), section 41403 of the Violence Against Women Act of 1994 ([42 U.S.C. 14043e-2](#)), section 330(h) of the Public Health Service Act ([42 U.S.C. 254b\(h\)](#)), section 3 of the Food and Nutrition Act of 2008 ([7 U.S.C. 2012](#)), section 17(b) of the Child Nutrition Act of 1966 ([42 U.S.C. 1786\(b\)](#)) or section 725 of the McKinney-Vento Homeless Assistance Act ([42 U.S.C. 11434a](#));
  - ii. Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
  - iii. Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
  - iv. Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or
- 4) Individuals and families who are fleeing, or are attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individuals or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary residence; has no other residence; and lacks the resources or support networks (e.g: family, friends, faith-based or other social networks) to obtain other permanent housing.

**Homeless Definitions:** Additional reference information located at the following link:

[https://www.hudexchange.info/resources/documents/HEARTH\\_HomelessDefinition\\_FinalRule.pdf](https://www.hudexchange.info/resources/documents/HEARTH_HomelessDefinition_FinalRule.pdf)

**Housing** – ESG Programs may offer a household the opportunity to choose its neighborhood (including the school district) as well as its type of housing (such as a single-family home, apartment, duplex, garden-style unit, mobile home, etc.) within the City of Moreno Valley however, the housing selected is subject to housing quality and occupancy requirements/standards as set forth in the City's ESG Program Guidelines.

**HMIS** means Homeless Management Information System.

**HUD** means the U.S. Department of Housing and Urban Development.

**Non-profit sub-grantee** means any private non-profit organization to which a grantee provides funds to carry out the eligible activities under the grant and which is accountable to the grantee for the use of funds provided.

**Private non-profit organization** means an organization described in 26 United States Code (U.S.C.) 501(c) that is exempt from taxation under subtitle A of the Internal Revenue Code, has an accounting system and a voluntary board, and practices nondiscrimination in the provision of assistance.

**Program participant** means an individual or family with or without children that is provided ESG financial assistance or housing relocation and stabilization services through a rapid rehousing or prevention program. In this manual, the term “household” refers to individuals or families.

**Sub-grantee or Sub-recipient** means any private non-profit organization or unit of general local government to which a grantee provides funds to carry out the eligible activities under the grant and which is accountable to the grantee for the use of the funds provided.

**Youth** means a person less than 25 years of age.

## **Emergency Solutions Grant Standards**

The City of Moreno Valley (City) is responsible for coordinating and implementing a system-wide approach to meet the needs of the population and subpopulation experiencing homelessness within the City. Both the Emergency Solution Grant Rules and Regulations (ESG) and the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Continuum of Care Program Interim Rules state that the CoC, in consultation with recipients of ESG program funds within the geographic area,

- (1) Establish and consistently follow written standards for providing CoC assistance;
- (2) Establish performance targets appropriate for population and program type; and
- (3) Monitor recipient and Sub-recipient performance.

In accordance with Title 24 of the Code of Federal Regulations (24 CFR) Part 578, City of Moreno Valley has developed the following written standards. These standards will apply to all projects that receive City, ESG funding and are intended as basic minimum standards to which Sub-recipients can make additions and/or enforce more stringent standards applicable to their own projects. In addition, all projects must comply with the Notice of Funding Availability (NOFA) under which the project was originally awarded and the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act. All programs that receive ESG funding are required to abide by these written standards.

## **Overview of Hearth Act**

- The Homeless Emergency and Rapid Transition to Housing (HEARTH) Act on May 20, 2009 amends the McKinney-Vento Homeless Assistance Act
- Changes allow for increased flexibility in who may be served and what activities may be carried out
- The HEARTH Act consolidates three of the separate homeless assistance programs administered by HUD under the McKinney-Vento Homeless Assistance Act into a single grant program and creates the Emergency Solutions Grant Program and the Rural Housing Stability Program.
- The focus changed from Homeless Shelter to Homeless Prevention.

## **ESG and CoC Coordination/Collaboration**

In collaboration with other ESG service providers, these written standards have been developed by ESG recipients, including the City of Riverside, City of Moreno Valley, and Continuum of Care (CoC) Membership. This collaboration allows for input on the standards and implementation process developed by organizations that directly provide homeless and housing services, Rapid Re-housing (R/R), and Homelessness Prevention (HP). The ESG Written Standards have been approved by the CoC, the County, and City ESG recipients. These written standards will be reviewed and revised, at a minimum annually or as needed, to continue to build upon and refine this document.

### **Housing First Model**

Irrespective of the program type, HUD encourages ESG Recipients and the COC to implement a housing first approach when providing housing assistance. The housing first approach prioritizes rapid placement, stabilization in permanent housing, and does not have service participation requirements or preconditions (such as sobriety or a minimum income threshold).

Transitional housing and supportive service only projects may also be considered when using the housing first approach if they operate with low-barriers, work to quickly move people into permanent housing, do not require participation in supportive services, and for transitional housing projects do not require any preconditions for moving into transitional housing.

### **Universal Assessment**

All individuals will be assessed using a comprehensive, universal assessment tool called the Vulnerability Index Service Prioritization Decision Assistance Tool (VI-SPDAT). This tool guarantees that individuals' levels of need and eligibility determinations are made in an informed and objective manner.

### **Homeless Management Information System**

All Sub-recipients are required to participate in the Homeless Management Information System (HMIS) per the ESG and CoC Interim Rule (24 CFR 576 and 578). HMIS provides an opportunity to document homelessness and helps to ensure coordination between service providers while avoiding duplication of services and client data.

### **Data Sharing Requirement**

Data sharing is a multi-directional sharing relationship between multiple organizations. In order to systematically share data, the participating agencies must jointly establish a data sharing network formalized by the execution of guidelines, with the understanding they agree to the guidelines made by the HMIS Committee.

### **Agreements**

The City of Moreno Valley (City) will enter into one or two year agreements with each Sub-recipient of ESG funding. In general; these agreements define:

- Key program components or activities (including benchmarks for success);
- The level of ESG funding;
- The anticipated source and amount of matching funds (24CFR 576.201) contributed by the agency/organization; and
- Documentation or reporting requirements. Receipt of Agreement and Terms

## **Record Keeping**

Sub-recipients must establish and maintain standard operating procedures for ensuring that the ESG program funds are used in accordance with the requirements of the ESG program. All records (or copies of records) containing information related to ESG program funds and activities must be retained and kept accessible for four years after year funding was received. Records must include evidence of eligibility for each participant, income documentation, service records, Housing Quality Standards (HQS) inspections, rent reasonableness for each assisted unit, documentation of required matching funds, documentation of expenditures and evidence that required policies are in place.

Written procedures must be in place to ensure the security and confidentiality of all records pertaining containing personally identifying information of any individual or family who applies for and/or receives Emergency Solutions assistance.

## **Expenditure Limits**

Funds used for street outreach and emergency shelter activities will be limited to the greater of:

- 60 percent of the County of Riverside's total current fiscal year (FY) grant for ESG; or
- the amount of FY 2010 ESG grant funds that were committed to street outreach and emergency shelter activities in FY 2010.

## **Guiding Statutes, Regulations and Circulars**

Financial management of federal grant programs, including the ESG is governed by a set of requirements that are contained in the following:

- Provisions in law, as set out in statutes;
- Regulations, which interpret and amplify the statute and are set out in the Code of Federal Regulations (CFR);
- Office of Management and Budget (OMB) Circulars, which in some cases have been reissued as part of the CFR.

## **Financial Management**

Grantees and recipient in the ESG program must ensure compliance with regulations and requirements pertaining to the following key areas of financial management outlined in Financial Management Systems (24CFR 85.20 and 24CFR 84.20-28) for the following areas:

- |                        |                          |
|------------------------|--------------------------|
| • Usage of funds       | • Required funding match |
| • Internal controls    | • Budget controls        |
| • Cash management      | • Accounting controls    |
| • Procurement Property | • Asset controls         |
| • Audits               |                          |

### **General Accounting System**

The purpose of 2 CFR Part 200 is to streamline the Federal Government's guidance on administrative requirements to more effectively focus Federal resources on improving performance and outcomes, while ensuring the financial integrity of the Federal programs in partnership with non-federal stakeholders (e.g., grantees and Sub-recipients). OMB Circular 2 CFR 200 supersedes, consolidates, and streamlines requirements from eight (8) OMB Circulars: A-21, A-87, A-89, A-102, A-110, A-122, A-133, and A-50. Sub-recipients are required to maintain a general accounting system. Accepted general accounting system includes:

- Cost Principals for State and Local Governments 2CFR Part 200
- Cost Principals for Non – Profit Organization 2 CFR Part 200
- Independent Single Audits - Recipients of individual or multiple Federal Awards that expend more than \$750,000 of federal funds with a one year period
- Records to be maintained for a minimum of three (3) years.

### **Accounting Controls**

Having accurate and comprehensive documentation of revenue and expenses is a regulatory requirement, and it is also a necessary part of a sub-grantee's organizational responsibilities. Accounting controls consist of procedures that enable Sub-recipients of ESG funds to maintain accounting records that sufficiently identify the source and application of funds that flow through the sub-grantee's organization and, thereby, meet applicable standards. Most important of all, accounting records must be supported by source documentation.

### **Reimbursement Responsibilities**

Sub-recipients will be responsible to submit on a monthly basis a reimbursement request for qualified expenditures. The following must be included in the request as follows:

- Request cover page and summary page;
- Cancelled check or Bank statement;
- Invoice or Bill;
- Late Charges are not eligible;
- HMIS reporting.

The disbursement of ESG funds to the Sub-recipient shall be on a reimbursement basis only. There shall not be any advance or prepayment of funds.

Final reimbursement request must be submitted no later than the date specified on ESG agreement.

### **Matching Funds Requirements**

The Sub-recipient must make matching contributions to supplement the Sub-recipient's ESG program in an amount that equals 100% of the amount of ESG funds provided by the Grantee. In other words, for every dollar provided through the ESG program, the Sub-recipient must contribute a dollar from another source to eligible ESG activities within the same funded programs.

Matching contributions may be obtained from any source, including any Federal source other than the ESG program, as well as state, local, and private sources. Additional requirements apply to matching contributions from a federal source of funds such that the Sub-recipient must ensure the laws governing any funds to be used as matching contributions do not prohibit those funds from being used to match Emergency Solutions Grant funds. If ESG funds are used to satisfy the matching requirements of another federal program, then funding from that program may not be used to satisfy the matching requirements under this section.

Matching funds must be provided after the date of that HUD signs the grant agreement.

### **Recognition of Matching Requirements**

In order to meet the matching requirement, the matching contributions must meet all requirements that apply to the ESG funds provided by HUD.

- The matching contributions must be provided after the date that HUD signs the associated grant Agreement;
- For cash match, “provided” means when the funds are expended (or when the allowable cost is incurred);
- For in-kind match, it is the date the service (or other in-kind match source) is actually provided to the program or project;
- To count toward the required match for the Sub-recipient’s fiscal year grant, cash contributions must be expended for eligible activity costs within 24 months after the date HUD signs the grant agreement with the recipient;
- Contributions used to match a previous ESG grant may not be used to match a subsequent ESG grant;
- Contributions that have been or will be counted as satisfying a matching requirement of another federal grant or award may not count as satisfying the matching requirement of this section.
- The program participants served with matching funds must be entered into HMIS, and reported on the CAPER.

### **Eligible Types of Matching Contributions**

The matching requirement may be met by one or both of the following:

- **Cash contributions** – Cash expended for allowable costs of the Sub-recipient, as defined in the Omni-Circular (2 CFR §200).
- **Noncash contributions** – The value of any real property, equipment, goods, or services contributed to the recipient's or Sub-recipient's ESG program, provided that if the recipient or Sub-recipient had to pay for them with grant funds, the costs would have been allowable. Noncash contributions may also include the purchase value of any donated building.

### **Program Participant Records**

In addition to the eligibility documentation required above, program participant records must include:

- documentation of the services and assistance provided to that program participant, including, as applicable, the security deposit, rental assistance, and utility payments made on behalf of the program participant;
- compliance with the applicable requirements for providing services and assistance to that program participant under the program components and eligible activities provisions where applicable, compliance with the termination of assistance requirement.

### **Documentation of Homelessness**

ESG Sub-recipients are required to maintain adequate documentation of homelessness status to determine eligibility of persons served by the ESG program. A copy of this documentation must be maintained by the Sub-recipient in the client's or participant's file. Documentation includes 3-day notice to pay or quit, public agency written verification of homelessness, or self-certification of homelessness are examples of required proof to require and maintain in client file.

### **Qualifications of Homelessness**

A person is considered homeless only when he/she resides in one of the following places:

- In places not meant for human habitation such as a car, park, sidewalk, an abandon building, or on the street;
- In an emergency shelter;
- In transitional or supportive housing for homeless persons who originally came from the streets or emergency shelter; or
- In any of the above but is spending a short time (up to 30 consecutive days) in a hospital or other institution.

### **Monitoring and Site Visits**

Monitoring can take a number of forms and can include review of progress reports, telephone consultation, and performance of on-site assessments. The three basic goals for oversight and monitoring of the progress and performance of ESG grantees/recipients include:

- Ensure that ESG funds are used effectively to assist homeless individuals and families and that the basic ESG program goals are met;
- Ensure compliance with ESG regulations and program requirements in the usage of funds and in carrying out program activities; and
- Enhance and develop the management capacity of grantees or recipients.

### **Participation of Homeless Persons in Policy-Making and Operations**

ESG regulation (24 CFR 576.405] require that recipients of Emergency Solutions Grant funds must provide for the participation of not less than one homeless or formerly homeless persons in a policy-making function within the Sub-recipient's organization. If the recipient is unable to meet this requirement it must instead develop and implement a plan to consult with homeless or formerly homeless persons in a policy-making function regarding any facilities, services, or other assistance that received funding under ESG. All Sub-recipients of ESG funds are required to involve or encourage involvement of participants in the operation of an ESG-funded program or facility. ESG Sub-recipients will be required to provide documentation during the City's monitoring visits of their efforts to seek the participation of the homeless or formerly homeless.

### **Termination of Participation and Grievance Procedures**

The City and Sub-recipients may terminate assistance provided through ESG-funded activities to participants that violate program requirements. Written procedures must describe the specific program requirements and the termination grievance or appeal process; this should include the procedures for a participant to request a hearing regarding the termination of their assistance. The federal regulation at 24 CFR 576.402 describes the termination provision:

Termination of Assistance 24 OFR 576.402: Grantees and recipients may, in accordance with 42 U.S.C. 11375 (e), terminate assistance provided under this part to an individual or family who violates program requirements.

- (a) **In general.** If a program participant violates program requirements, the recipient or Sub-recipient may terminate the assistance in accordance with a formal process established by the recipient or Sub-recipient that recognizes the rights of individuals affected. The recipient or Sub-recipient must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases.
- (b) **Program, participants receiving rental assistance or housing relocation and stabilization services.** To terminate rental assistance or housing relocation and stabilization services to a program participant, the required formal process, at a minimum, must consist of:
  - (1) Written notice to the program participant containing a clear statement of the reasons for termination;

- (2) A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and
- (3) Prompt written notice of the final decision to the program participant.

(c) **Ability to provide further assistance.** Termination under this section does not bar the recipient or Sub-recipient from providing further assistance at a later date to the same family or individual.

### **ESG Program Eligibility**

Eligibility for assistance under the ESG program depends on the housing or homeless status of the participant. All participants in ESG-funded programs must meet the applicable definition of homelessness or at-risk. The specific status needed to be eligible for assistance varies depending on the program component under which a program is operated. Homeless status can be classified as one of four categories under the applicable HUD definition: “literally homeless,” “imminent risk of homeless,” “Unaccompanied youth and families with children who are defined as homeless under other federal statutes” or “fleeing/attempting to flee domestic violence.” as defined within the definitions section of this document.

Homelessness prevention programs may serve those at *Imminent risk of homelessness* or *Fleeing/attempting to flee domestic violence* (with incomes below 30% of the area median income (AMI)) and are also allowed to serve households that meet the definition of “at-risk of homelessness” as defined within the definitions section of this document.

ESG-funded programs must document that the household would experience homelessness but for the ESG assistance (i.e. a household would require emergency shelter or would otherwise become literally homeless in the absence of ESG assistance).

### **Five ESG Components**

The chart below reflects eligible clients and which of the five ESG funding components each group of clients is eligible for:

Component	Those Who Are Homeless	Those Who Are At Risk of Homelessness
1. Street Outreach	X	
2. Emergency Shelter	X	
3. Rapid Re-Housing	X	
4. Homeless Prevention		X
5. Homeless Management Information System (HMIS)	X	X

## **Standards for Programs Components**

### **1. Street Outreach (24 CFR 576.101)**

**Eligible Participants:** Unsheltered individuals and families, meaning those who qualify under paragraph (1)(i) of the definition of "homeless."

**Eligible Activities:** Essential services to eligible participants provided on the street or in parks, abandoned buildings, bus stations, campgrounds, and in other such settings where unsheltered persons are staying. Staff salaries related to carrying out street outreach activities is also eligible.

**Eligible Costs:**

- Engagement  
Activities to locate, identify, and build relationships with unsheltered homeless people for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs.
- Case Management  
Assessing housing needs, and arranging/coordinating/monitoring the delivery of individualized services.
- Emergency Health Services  
Outpatient treatment for urgent medical conditions provided by licensed' medical, professionals in community-based settings (e.g., streets, parks, and campgrounds) to eligible participants unwilling or unable to access emergency shelter or health care facility.
- Emergency Mental Health Services  
Outpatient treatment for urgent mental health conditions by licensed professionals in community-based settings (e.g., streets, parks, and campgrounds)
- Transportation  
Travel by outreach workers, social workers, medical professionals or other service providers during the provision of eligible street outreach services.
- Services to Special Populations  
Address the special needs of homeless youth, victims of domestic violence and related crimes/threats, and/or people living with HIV/AIDS who are literally homeless.

### **2. Emergency Shelter (24 CFR 576.102)**

**Eligible Participants:** Eligible Participants are individuals and families who are homeless. ESG funds may be used to provide essential services to persons in emergency shelters, major

renovation of an emergency shelter, or conversion of a building into an emergency shelter, and shelter operating costs. Staff costs related to carrying out emergency shelter activities is also eligible.

**Eligible Activities:** Essential services apply to persons in emergency shelters, renovating buildings to be used as emergency shelters, and operating emergency shelters. Staff costs related to carrying out emergency shelter activities is also eligible.

**Eligible Costs:**

- Essential Services
- Renovation
- Shelter Operations

**A. Essential Services**

Eligible costs to provide essential services to individuals and families who are in an emergency shelter are as follows:

- Case Management
- Life Skills
- Child Care
- Education Services
- Employment Assistance and Job Training
- Outpatient Health Services
- Legal Services
- Mental Health Services
- Substance Abuse Treatment Services Transportation
- Services for Special Populations

**B. Renovation**

Eligible costs include labor, materials, tools, and other costs for renovations. The emergency shelter must be owned by a government entity or private non-profit organization. When ESG funds are used for renovations, other than major rehabilitation or conversion, the minimum period of use to be maintained as a shelter for homeless individuals and families is 3 years. If the rehabilitation costs of an emergency shelter exceeds 75 percent of the value of the building before rehabilitation (major rehabilitation) or if the costs to convert a building into an emergency shelter exceeds 75 percent of the value of the building after the conversion, then the minimum period of use is 10 years, including soft costs, or conversion of a building to be used as an emergency shelter. The maximum funding allowed is **\$5,000**.

### **C. Shelter Operations**

Eligible costs are the costs of maintenance necessary for the operation of an emergency shelter. In the case when no appropriate emergency shelter is available for a homeless family or individual, a hotel or motel voucher will also be considered eligible. Additional eligible shelter operation costs include the following:

- Maintenance (including minor or routine repairs)
- Food
- Insurance
- Rent
- Furnishings
- Security
- Supplies necessary for the operation of the emergency shelter
- Fuel
- Utilities
- Equipment

**Note:** Emergency Shelter agencies must include in their policies and procedures the process of admission, diversion, referral and discharge including standards regarding length of stay and safeguards to meet the safety and shelter needs of special populations and individuals, and families who have the highest barriers to housing and are likely to be homeless the longest.

### **3. Homelessness Prevention (24 CFR 576.103)**

The purpose of Homelessness Prevention is to prevent persons from becoming homeless in a shelter or an unsheltered situation. Funding may also be used to help such persons regain stability in their current housing or other permanent housing. Eligibility for services applies to individuals and families who are at imminent risk, or at risk, of homelessness, meaning those who qualify under paragraph (2) and (3) of the homeless definition (or those who qualify as “at risk of homelessness” found in 24 Part 576.2. Individuals and families must have an income at, or below, 30% of Area Median Income (AMI).

Eligible activities include the following:

- Housing Relocation and Stabilization Services
- Short- and Medium-Term Rental Assistance

## **Housing Relocation and Stabilization Services**

The following guidelines apply to both Rapid Re-Housing and Homelessness Prevention:

<b>FINANCIAL ASSISTANCE</b>	<b>SERVICES</b>
Moving Cost	Housing Search & Placement
Rent Application Fees	Housing Stability Case Management
Last Month's Rent	Mediation
Utility Payments – Up to 24 months payments/ including up to 6 months arrears per service	Credit Repair
Security Deposit – Equal to no more than 2 months' rent	Legal Services
Standard Utility Deposit	

## **Short- and Medium-Term Rental Assistance: Rapid Re-Housing/Homelessness Prevention**

<b>Types of Rental Assistance</b>	<b>Length of Assistance</b>
1. Short Term Rental Assistance	up to 3 Months
2. Medium Term Rental Assistance	4 to 24 Months
3. Payment of Rental Arrears (One-time payment up to 6 months arrears months, including late fees.)	

### **Lease Requirements 24.CFR 576.107(5)**

In compliance with HUD requirements, City clarifies that to be permanent housing, the program participant must be the tenant on a lease for a term of at least one year that is renewable and is terminable only for cause. The lease must be renewable for terms that are a minimum of one month long. HUD has determined that requiring a lease for a term of at least one year that is renewable and terminable only for cause can assist program participants in obtaining stability in housing, even when the rental assistance is temporary.

Rent paid on behalf of program participant must be reasonable based on HUD standards as established under 24 CFR 982.507.

### **Payment Requirement**

Homeless prevention assistance payments must be made directly to the landlord, utility or provider of services for the program participant.

## **Performance Standards**

The recipient must describe the performance standards for evaluating ESG activities which must be developed in consultation with the Continuum of Care.

Based on standards and goals of the local Continuum of Care, the City is proposing the following performance standards for the Emergency Solutions Grant:

### **Performance Measures for Homelessness Prevention**

- a. A reduction in the number of homeless individuals and families seeking emergency shelter services.
- b. Expected Outcome: At least 35% of participants assisted will remain in permanent housing six (6) months after the last assistance was provided under ESG.

### **Performance Measures for Homeless Rapid Re-Housing**

- a. A reduction in the reoccurrence of homelessness for individuals and families who exit the shelter system.
- b. Expected Outcome: At least 35% of participants assisted will remain in permanent housing six (6) months after the last assistance provided under ESG.

## **4. Rapid Re-Housing (24 CFR 576.104)**

The purpose of Rapid Re-housing is to serve participants who meet the criteria under paragraph (1) of the “homeless” definition in 24 CFR Part 576.2 or who meet the criteria under paragraph (4) of the “homeless” definition and live in an emergency shelter or other place described in paragraph (1) of the “homeless” definition.

Eligible participants are individuals and families literally homeless currently living in an emergency shelter or place not meant for human habitation.

Eligible activities include:

- Housing Relocation and Stabilization Services
- Short- and Medium-Term Rental Assistance

## ***A. Standard Policies and Procedures for evaluating individuals and families eligibility for assistance under Emergency Solutions Grant (ESG).***

### **Building on Established Homeless Prevention and Rapid-Rehousing Program (HPRP) Policies and Procedures**

The policies and procedures were originally established based on the provisions of HPRP assistance. The policies and procedures are now modified based on the checklist of required elements applicable only set forth in 24 CFR 576.400 (e)(1) and (e)(3) (91.220 (4)(vi)) and in collaboration with CoC

standards will be adopted. These policies will be employed initially for the provision of ESG assistance, but will be refined as the new ESG program is implemented.

### **Centralized Pre-Screening and Assessment Available at Multiple Locations**

The County of Riverside Continuum of Care (CoC) conducts a Coordinated Intake and Assessment System piloted through the 25 Cities Initiative, a partnership with HUD and the U.S. Department of Veterans Affairs (VA) to eliminate homelessness among veterans by 2016 and chronic homelessness by 2020. The pilot in the Greater City of Riverside Area was implemented countywide during 2015. Participating agencies are responsible for engaging chronically homeless individuals and families through the use of Housing Navigators and a standardized vulnerability assessment and intake process that provides referrals to a centralized housing system that places priority on those who are at highest risk with the most appropriate intervention **rather than** a "first come, first served" approach.

Individuals and families applying for ESG assistance must complete an eligibility pre-screening form. Pre-screening may be completed via phone, online, or at established locations, including emergency shelter locations. Individuals and families who meet established pre-screening requirements will be scheduled an appointment with a case manager for assessment and eligibility documentation.

### **Basic Eligibility Requirements**

- **Initial Consultation & Eligibility Determination:** The applicant(s) must receive at least an initial consultation and eligibility assessment with a case manager or other authorized representative who can determine eligibility and appropriate type of assistance.

ESG clients must meet one of the following definitions of homelessness:

1. Literally homeless
  2. At imminent risk of homelessness
  3. Homeless under Federal Statutes
  4. Fleeing/attempting to flee domestic violence
- **Income:** The household's total annual income must be below 30 percent of Area Median family Income for the area (AMI).
  - **Housing Status:** Case files must document the current housing status of the household at application. Housing status will be verified through third party verification whenever possible. Self-certification of housing status will be considered on a case by case basis.
  - **City of Moreno Valley Residency:** All households receiving Homelessness Prevention or Rapid Re-housing assistance under ESG must be residents of the City of Moreno Valley at time of application.
  - **Unidentifiable financial resources and/or support networks:** In order to receive ESG rental financial assistance, applicants must also demonstrate the following:
    1. No appropriate subsequent housing options have been identified;

2. The household lacks the financial resources to obtain immediate housing or remain in its existing housing; and
3. The household lacks support networks needed to obtain immediate housing or remain in its existing housing.

***B. Policies and Procedures for Coordination among Emergency Shelter providers, Essential Service providers, Homelessness Prevention and Rapid Re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers.***

The ESG program requires coordination among participating agencies. All ESG Sub-recipients in Moreno Valley are experienced homeless providers with a demonstrated track record in fiscal management and the provision of housing and supportive services targeted to homeless households. Additionally, the project administration agreement with ESG Sub-recipients will require coordination among agencies receiving ESG funds to administer Emergency Shelter, Essential Services, Homelessness Prevention, Rapid Re-housing services, and related assistance, and access to mainstream services and housing providers for clients. Coordination of effort among Sub-recipients will also help prevent duplication of benefits to the same person or household.

**Participation in the Continuum of Care**

ESG funded agencies have easy access to membership in the Continuum of Care. The Continuum of Care has over 140 member organizations including homeless service providers, veteran service representatives, churches and government organizations. The Continuum of Care meets on a regular basis and shares information about services among participating agencies.

**Required Client Information and Referrals**

To further facilitate collaboration and information sharing, ESG funded agencies will be required to provide the following information and referrals to ESG program participants:

- 2-1-1 hotline for social services
- Social security benefits
- Cal-Works and other income security programs provided by The County of Riverside Department of Public Social Services (DPSS)
- Cal-Fresh (formerly known as Food Stamps) assistance
- Low Income Energy Assistance Programs
- Affordable housing information
- Employment assistance and job training programs
- Health care and mental health services
- Services for victims of domestic violence
- Veteran services
- Specialized services such as legal services, credit counseling.

***C. Policies and Procedures for determining and prioritizing which eligible families and individuals will receive Homelessness Prevention assistance and which eligible families and individuals that will receive Rapid Re-housing assistance.***

Once it is determined that the household meets the basic eligibility guidelines noted above the household will be assessed for the appropriate form(s), level, and duration of financial assistance. The results of this assessment will be formalized in a Housing/Financial Assistance Plan that is signed by both the applicant and the case manager.

**Homeless Prevention Assistance**

Homeless Prevention assistance will be targeted to households who are “at risk” of losing their present housing and becoming homeless as defined in HUD regulations 24 CFR 576.2. While there are many people who are housed and have a great need for rental assistance, not everyone will become homeless without assistance. A risk assessment will be used to assess the household's level of crisis and prioritize those who are at greatest risk of becoming homeless. The Field Assessment Tool will include vulnerability criteria including but not limited to; income, housing history, food security, childcare, health care, life skills, and other special needs. Due to the limited amount of funding, assistance will be provided on a first come, first served basis, if the applicant meets the eligibility and risk assessment criteria, if the applicant(s) meet(s) eligibility and risk assessment criteria.\*

**Rapid Re-Housing Assistance**

Homeless Rapid Re-housing assistance is intended for individuals or families who meet the homeless definition described in HUD regulations 24 CFR 576.2. While there are many homeless individuals and families in Riverside County at any given night, the Rapid Re-housing assistance will be prioritized for households who are residing in emergency shelters and on the streets. Due to the limited amount of funding, assistance will be provided on a first come, first served basis, if the applicant meets the eligibility and risk assessment criteria.

Rapid Re-housing should prioritize people with more challenges, including those with no income, poor employment prospects, troubled rental histories, and criminal records. Providers should link participants with community resources that will help them achieve longer-term stability and well-being.

***D. Standards for determining the share of rent and utilities costs that each program participant must pay, if any, while receiving Homelessness Prevention or Rapid Re-housing assistance.***

**Limitations on Assistance - Homeless Prevention**

The City's ESG rental assistance is intended to stabilize individuals and families who have recently endured difficult financial circumstances that have led them into homelessness or who are at imminent risk of becoming homeless. For Homeless Prevention assistance, the rental assistance consists of short term rental assistance (3 months); extended under certain circumstances to medium term rental assistance (for an additional 3 months). The total maximum length of assistance is 12 months over a 3-year period. Client must be reassessed after every 90 days and case management on a monthly basis is **required**.

Not every individual or family in need of rental assistance is a candidate for ESG Homelessness Prevention or Rapid Re-housing assistance. ESG rental assistance is not a substitute for Section 8 rental assistance or a permanent rental subsidy, but rather a tool to help stabilize families or individuals who are at imminent risk of becoming homeless and lack any other resources to help them stabilize their housing situation. Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources (24 CFR 576.106).

As a general rule, an individual or household should pay approximately 30% of their income towards rent. This requirement may be waived on a case-by-case basis for extreme circumstances. The ESG assistance will consist of the remaining portion of the rent, **up to \$1,000** (excluding the clients' contribution towards the rent).

Clients are required to be reassessed at regular monthly intervals to monitor progress and levels of self-sufficiency. If a client requires assistance beyond the three month mark, the ESG rental subsidy will be reduced and the client will be required to pay a larger portion of the rent. Homelessness Prevention assistance will be based on number in household, fair market rent rate, and income to determine for a maximum one year over a 3 -year period.

#### **Limitations on Assistance - Rapid Re-Housing**

Under Rapid Re-housing assistance, a client's share of rent should be based on the client's ability to pay during their path to housing stabilization, with a **minimum \$25** client contribution. This requirement may be waived on a case-by-case basis for extreme circumstances. Clients receiving Rapid Re-housing assistance must be re-assessed, at a minimum every 90 days, and reviewed during monthly case management. The maximum length of Rapid Re-housing assistance will be one (1) year\* during any 3- year period. The assistance should not exceed the Fair Market Rent amount based on client household, except for the first month of assistance if client requires assistance with other re-housing expenses such as rent deposits or utility deposits. Security deposit should not exceed two times the rent.

Standards for determining the share of rent and utilities costs that each program participant must pay, if any, will be based on the following guidelines:

- 100% of the cost of rent in rental assistance may be provided to program participants. However to maximize the number of households that can be served with Rapid Re-housing resources, it is expected that the level of need will be based on the goal of providing only what is necessary for each household to be stably housed for the long term;
- Rental assistance cannot be provided for a unit unless the rent for that unit is at or below the Fair Market Rent limit, established by HUD;
- The rent charged for a unit must be reasonable in relation to rents currently being charged for comparable units in the private unassisted market and must not be in excess of rents currently being charged by the owner for comparable unassisted units.

#### **Limitations on Assistance - All Clients**

Due to the limited amount of funds available, the ESG assistance will not exceed Fair Market Rent (FMR) per client per month in combined ESG assistance, including rent and utility payments. Generally, clients should be responsible for paying their own utility costs while receiving ESG rental assistance, unless they are experiencing acute financial hardship, or are at risk of losing their housing due to utility shut off. Clients seeking help with utilities only may be eligible for ESG assistance if it can be documented that they will lose their housing and become literally homeless if utility assistance is not provided; however, the household must meet other ESG eligibility requirements.

**Duplication of Benefits:** Rental assistance cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, State, or local sources (CFR 576.106).

#### ***E. Standards for determining how long a particular participant will be provided with rental assistance and whether the amount of that assistance will be adjusted over time.***

ESG assistance consists of short term (up to 3 months) or medium term (more than 3 months but not more than 24 months) rental assistance to allow individuals or families who have recently encountered a financial crisis that has led them into homelessness or at imminent risk of homelessness, to gain housing stabilization. Since the program consists of temporary assistance aiming at rapid stabilization of households, clients are required to contribute a portion of their income towards rent. Clients with no potential to earn income may not be suitable candidates for this type of assistance unless other subsidies can be accessed after the ESG assistance expires. The Sub-recipient case manager should comply with and document the housing stability case management requirements of HUD regulation 24 CFR 576.401(e).

Clients assisted under ESG Homelessness Prevention assistance are eligible to receive the rental assistance for up to 3 months if they meet income eligibility of less than 30% of the area median family income (AMI) during the 3 month period and comply with the case management requirements of the program. At the end of the third month, clients must be re-assessed to determine if the client's rental assistance needs to be extended for an additional 3 month period. If the ESG rental assistance is

extended for an additional three (3) months, the ESG assistance will be reduced and/or adjusted over the remaining time.

Clients assisted under ESG Rapid Re-housing Assistance are eligible to receive rental and utility assistance for up to one-year if they meet income eligibility during the one-year period. Rapid Re-housing clients **must** receive monthly case management, be evaluated at regular intervals, and be re-assessed every 90-days during the ESG assistance period. The ESG rental assistance should be reduced gradually and the client's portion of rent increased during the months of assistance.

- F. Standards for determining the type, amount, and duration of housing stabilization and /or relocation services to provide a program participant, including the limits, if any, on homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance; maximum number of months the program participant receives assistance; or the maximum number of times the program participant may receive assistance.***

#### **Reasonableness Determination**

The City will set the maximum amount of assistance to be provided to Homelessness Prevention and Rapid Re-housing clients on an annual basis. The City will also determine if the total benefit amount to be awarded to any one client is both reasonable and necessary.

#### **Reporting - Centralized/Coordinated Assessment System**

- The HEARTH Act makes HMIS participation a statutory requirement for ESG recipients and sub-recipients. The City and the Sub-recipients work with the Continuum of Care to ensure the screening, assessment, and referral of program participants are consistent with the written standards.
- The recipient will ensure that data on all persons served and all activities assisted under ESG are entered into a community-wide HMIS in the area in which those persons and activities are located.
- Victim service providers cannot, and Legal Services Organizations may choose to not participate in HMIS. Providers that do not participate in HMIS must use a comparable database that produces unduplicated, aggregate reports instead.

Eligible HMIS costs generally include, but is not limited to the following:

- Hardware Equipment and Software Costs
- Staffing: Paying salaries for operating HMIS
- Training and Overhead - Technical support, leasing space, and utilities for space used by HMIS staff.

#### **Comparable Database for Victim Services**

If the Sub-recipient is a victim services or a legal services provider that use a comparable database, it may use ESG funds to establish and operate a comparable database that collects client-level data over

time and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must not be entered directly into or provided to an HMIS.

#### **Case Management (24 CFR 576.401 (e))**

The City has defined case management as a “collaborative” process that assesses, plans, implements, coordinates, monitors, and evaluates the options and services required to meet the client’s health and human service needs. It is characterized by advocacy, communication, and resource management and promotes quality and cost-effective interventions and outcomes. Case management focuses on housing stability and placement, with an emphasis on the arrangement, coordination, monitoring, and delivery of services related to housing needs and improving housing stability.

A meeting with a case manager is required in order to receive Rapid Re-housing assistance, although it is not necessarily the first step. Some communities might have a screening, intake, assessment, or other eligibility determination process that precedes the assignment to a case manager while other communities may have case managers performing the eligibility task.

Regardless of the arrangement, the meeting with the case manager should be regarded not only as a program requirement, but also as an early opportunity to help a household improve its housing stability during and beyond the period of Rapid Re-housing assistance.

#### **Transitional Housing and Rapid Re-housing**

While transitional housing is technically eligible, HUD cautions recipients against using ESG Rapid Re-housing funds as a way of regularly exiting a person from transitional housing to permanent housing. It is recommended that Rapid Re-housing be used as a model for helping people move from the streets or shelter to permanent housing, not for people exiting transitional housing. Additionally, transitional housing providers should have programs designed to successfully exit people and should not use Rapid Re-housing, another form of temporary assistance, as a regular part of their program design. HUD recommends this be done on a case-by-case basis, so that it is not common practice, but is provided only when necessary to prevent the program participant from going back to the streets or emergency shelter.

Please also note that program participants would need to be assessed for and determined to be eligible for ESG Rapid Re-housing assistance, in accordance with the ESG eligibility and documentation requirements. (Homeless definition in 24 CFR 576.2) This includes a requirement that the assistance be necessary to help the program participant move as quickly as possible into permanent housing and achieve stability in housing. Note that such a household would have to be exited from the transitional housing program in HMIS and entered into the ESG program in HMIS.

#### **Consultation Process**

The City and the ESG recipients, continuously consult with the Continuum of Care to discuss the ESG allocation in ways that:

- Coordinate across regional entitlement jurisdictions by developing and utilizing standardized eligibility and assessment tools;
- Support federal and local goals for priority populations;
- Allow for variations in the program design that responds to the needs and resources of the jurisdiction; and
- Comply with eligibility and verification requirements (HMIS, housing status, homeless definitions, etc.)

The ESG program requires coordination among participating agencies. All ESG Sub-recipients in Moreno Valley are experienced homeless providers with a demonstrated track record in fiscal management and the provision of housing and supportive services targeted to homeless households. ESG funded agencies have easy access to membership in the Continuum of Care (CoC) and are encouraged to participate in the CoC. The CoC has over 100 member organizations including homeless service providers, veteran service representatives, churches and government organizations. The Continuum of Care meets on a regular basis and shares information about services among participating agencies.

The City also consulted with the Continuum of Care on the Ten Year Plan to End Homelessness to ensure the alignment of proposed ESG activities as they relate to the goals and strategies outlined in the plan. This joint effort has worked successfully in the past and the City will continue to work closely with Riverside County Department of Public Social Services (DPSS), the "umbrella" anti-poverty agency for Moreno Valley, in servicing the needs of homeless.

#### **HUD ESG Link**

For complete, detailed information on authorizing laws, regulations, and Federal Register Notices for the Emergency Solutions Grants (ESG) Program, reference the link below:

<https://www.hudexchange.info/esg/esg-law-regulations-and-notices/>

## **APPENDIX A**

### **ADJUSTMENTS TO ESG WRITTEN STANDARDS FOR CORONAVIRUS EMERGENCY SOLUTIONS GRANTS (ESG-CV)**

President Trump signed the CARES Act (“the Act”) on March 27, 2020, to help the nation respond to the coronavirus (COVID-19) outbreak. The CARES Act made available an additional \$4 billion in ESG-CV- funds to supplement the Fiscal Year (FY) 2020 ESG-CV funding provided under the Further Consolidated Appropriations Act, 2020 (Public Law 116-94). Of this amount, the Department immediately allocated \$1 billion for ESG-CV- grants based on the FY 2020 ESG-CV formula. The funds may be used to cover or reimburse allowable costs incurred by the City and Sub-recipients before the award of funding (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19.

The City of Moreno Valley was award approximately \$2.4 million in ESG-CV funds and will administer ESG-CV programs to prevent, prepare for, and respond to the coronavirus pandemic among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19. While still providing support for emergency shelters and services to the homeless, the new ESG-CV grant focuses on preventing initial and recurrent homelessness, shortening the duration of homelessness, assisting in the transition from homelessness to independent living, and providing outreach, needs assessment and other services for the homeless.

The purpose of this addendum is to provide guidance to Sub-recipients of the ESG-CV grant on additional requirements, waivers and eligible activities, and in conjunction with the City ESG Written Standards v3, each grant application, grant agreement, budget and/or all relevant federal and state statutes and regulations will apply to the ESG-CV programs.

The ESG-CV grant is authorized by subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371–11378) as amended by the Act. The program authorizes the Department of Housing and Urban Development (HUD) to make grants to States, units of general purpose local government, and territories for the rehabilitation or conversion of buildings for use as emergency shelter for the homeless, for the payment of certain expenses related to operating emergency shelters, for essential services related to emergency shelters and street outreach for the homeless, and for homelessness prevention and rapid re-housing assistance. (24 CFR 576.1)

Specific waivers and alternate requirements for the ESG-CV grant includes:

- The funds are not subject to the spending cap on emergency shelter and outreach under 24 CFR 576.100(b)(1);
- Up to 10 percent of funds may be used for administrative costs, compared to 7.5 percent as provided by 24 CFR 576.108(a);

- The funds are exempt from the ESG-CV match requirements, including 24 CFR 576.201;
- The funds may be used to provide homelessness prevention assistance (as authorized under 24 CFR 576.103 or subsequent HUD notices) to any individual or family who does not have income higher than HUD's Very Low-Income Limit for the area (50% Average Medium Income in Riverside County) and meets the criteria in paragraphs (1)(ii) and (1)(iii) of the "at risk of homelessness" definition in 24 CFR 576.3;
- Sub-recipients may deviate from applicable procurement standards when using these funds to procure goods and services to prevent, prepare for, and respond to coronavirus, notwithstanding 24 CFR 576.407(f) and 2 CFR 200.317-200.326;
- While it is encouraged to offer treatment and supportive services when necessary to assist vulnerable homeless populations, individuals and families experiencing homelessness must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services for which these funds are used, notwithstanding 24 CFR 576.401(e).

In addition, the Act authorizes the Secretary to grant waivers of and specify alternative requirements for statutes and regulations the Secretary administers in connection with the use of ESG-CV funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). These waivers and alternative requirements can be issued when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to coronavirus. In accordance with 24 CFR 5.110, HUD made a determination of good cause and subject to statutory limitations, waive regulatory provisions. Additional regulatory waiver authority is provided in 24 CFR 91.600. These regulatory provisions provide HUD the authority to make waiver determinations for the ESG-CV, COC, and HOPWA Programs and consolidated planning requirements for all CPD formula programs.

A memorandum by John Gibbs, CPD Assistant Secretary, provided additional flexibility to communities to prevent the spread of COVID-19 and better assist individuals and families, including those experiencing homelessness, infected with COVID-19 or economically impacted by the virus. The waivers associated with the ESG-CV HMIS, Homelessness Prevention and Rapid Re-housing programs to prevent the spread of COVID-19 are described under each ESG-CV component section below. Waiver dates are subject to extension based on memoranda from HUD. Provisions that are not specifically waived remain in full effect.

During COVID-19, ESG-CV Sub-recipients should collaborate with local and state public health partners to integrate infection control practices into homeless service delivery systems where appropriate.

### **EMERGENCY SHELTERS**

ESG-CV funds may be used for costs of providing Essential Services to homeless families and individuals in emergency shelters, renovating buildings to be used as emergency shelter for homeless families and individuals, and operating emergency shelters.

### **Expanded Definition of ESG-CV- Eligible Shelter Funds**

The purpose of ESG-CV funds is to prevent, prepare for, and respond to COVID-19 in order to prevent and mitigate the spread of COVID-19 among people experiencing homelessness and the staff that provide services to these individuals. This requires that existing shelters implement public health protocols such as enforcing social distancing, establishing an isolation space (especially for residents suspected of having COVID-19, those with confirmed cases, and high-risk residents such as elderly people and people with pre-existing health conditions), using personal protective equipment (PPE), and cleaning/disinfecting shared and living spaces. In many communities where existing shelter is not available or where current shelters are not able to implement these safety protocols, additional space may need to be identified to allow people to have shelter while staying as healthy as possible. This may be space within an existing shelter (e.g., an office not being used) that could be temporarily converted into a quarantine space for someone who has tested positive or is awaiting test results, or it could be an entirely separate building. Eligible shelter spaces may include public spaces, pop up or modular structures in compliance with U.S. Department of Housing and Urban Development (HUD) guidance.

### **Coordinate with public health partners to establish COVID-19-specific procedures where appropriate.**

If shelters utilize symptom screening as a part of intake procedures, it must be reviewed and approved by a local public health partner such as the county's or state's department of public health or the Healthcare for the Homeless partner.

Shelters funded by ESG-CV must establish referral pathways to isolation and quarantine if a client is in need of such services.

Shelters funded through ESG-CV will maintain social distancing requirements established in partnership with the county's or state's department of public health.

### **Admission, diversion, referral, and discharge by emergency shelters assisted under ESG, including standards regarding the length of stay, if any, and safeguards to meet the safety and shelter needs of special populations (e.g., victims of domestic violence, sexual assault, and stalking) and individuals and families who have the highest barriers to housing and are likely to be homeless the longest.**

Shelters funded by ESG-CV may not turn away eligible program participants and must establish referral pathways to other shelter or housing if the shelter is at maximum capacity. Shelters must establish referral pathways to isolation and quarantine if a client is in need of such services.

Someone who presents at an ESG-funded shelter with respiratory symptoms (e.g., cough) should not be turned away solely because of their health symptoms.

Shelters funded by ESG-CV are strongly discouraged from implementing a maximum length of stay when a discharge will result in program participants returning to unsheltered settings or situations putting them at a higher risk of COVID-19 infection.

Any ESG-funded shelter that is considering closing or not accepting new residents must immediately notify the local CoC, public health authority, and emergency management officials.

### **STREET OUTREACH**

#### **Standards for targeting and providing essential services related to street outreach.**

HUD has approved the following as eligible costs under street outreach:

- Engagement: Hand sanitizer, soap, tissue packets, masks, disposable gloves, other PPE.
- Case Management: Coordinating medical care.
- Transportation: Train or bus tokens, taxi or rideshare for program participants' travel to and from medical care.
- Expanded Staffing: Hiring additional staff to support infectious disease preparedness, providing hazard pay to staff with direct participant contact.

ESG-CV funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. For the purposes of this section, the term “unsheltered homeless people” means individuals and families who qualify as homeless under 24 CFR 576.2 (1)(i).

### **HOMELESS PREVENTION AND RAPID REHOUSING (RRH)**

ESG-CV funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the “homeless” definition in 24 CFR 576.2. This assistance, referred to as homelessness prevention, may be provided to individuals and families who meet the criteria under the “at risk of homelessness” definition, or who meet the criteria in the “homeless” definition at 24 CFR 576.2 and have an annual income below 50 percent of median family income for the area, as determined by HUD. The costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in the program participant’s current permanent housing or move into other permanent housing and achieve stability in that housing. Homelessness prevention must be provided in accordance with the housing relocation and stabilization services requirements in 24 CFR 576.105, the short-term and medium-term rental assistance requirements in 24 CFR 576.106, and the written standards and procedures established under 24 CFR 576.400.

#### **Assessing, prioritizing, and reassessing individuals’ and families’ needs for essential services related to emergency shelter.**

Under this state of emergency, HUD supports communities considering other prioritization elements as necessary to prevent the spread of COVID-19 among those who are homeless or at risk of homelessness and to respond to those already impacted by the pandemic.

**Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive RRH assistance.**

Local jurisdictions may prioritize the use of ESG-CV funds for proven strategies, especially Rapid Rehousing for those experiencing homelessness. Note: people cannot be denied RRH because of “zero income.”

Targeted Prevention: Based on race equity analysis, the jurisdiction will target prevention services to three marginalized areas of town (identify three areas). These three areas of town serve disproportionately large communities of Black, Indigenous, and people of color who experience homelessness. They have been historically underserved and had poor access to permanent housing solutions offered by the homeless response system.

**Coordination among emergency shelter providers, essential services providers, homelessness prevention, and rapid rehousing (RRH) assistance providers; other homeless assistance providers; and mainstream service and housing providers (see §576.400(b) and (c) for a list of programs with which ESG-funded activities must be coordinated and integrated to the maximum extent practicable).**

The City and Riverside County Department of Public Health will conduct testing for people experiencing homelessness at various locations in the City. ESG-CV funded shelters and outreach programs should encourage (but may not require) people experiencing homelessness to get tested if they are experiencing COVID-19 symptoms.

Shelters in the jurisdiction are encouraged to use funds provided through ESG-CV to purchase technology to access telehealth services provided through Healthcare for the Homeless.

**Standards for determining what percentage or amount of rent and utilities costs each program participant must pay while receiving homelessness prevention or Rapid Rehousing (RRH) assistance.**

Under the Coronavirus Aid, Relief, and Economic Security (CARES) Act ESG-CV funding, there will be no rental payment requirement for households receiving financial assistance. Projects funded are expected to serve people with zero income.

**Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time.**

The CARES Act provides that ESG-CV funds may be used to mitigate the economic impact of COVID-19. Programs are encouraged to consider the maximum number of rental assistance months be extended/adjusted to address unemployment, loss of income, or benefits due to COVID-19.

RRH Sub-recipients must use a progressive engagement model; this practice supports using the least intensive intervention to help resolve homelessness for the individual or family. Providers are to add more assistance only as necessary if the less intensive intervention is unsuccessful. RRH households

receiving rental assistance subsidies must contribute a minimum of 30 percent of their monthly adjusted income toward their monthly rent. This tenant rent contribution may be adjusted at any time based on changes to household income. There is no minimum rent requirement and tenant rent contribution may be zero for households with no income.

**Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide to a program participant, including the limits (if any) on the homelessness prevention or RRH assistance that each program participant may receive (such as the maximum amount of assistance, maximum number of months the program participant may receive assistance, or the maximum number of times the program participant may receive assistance).**

ESG-CV funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the 'homeless' definition in 24 CFR 576.2. This assistance, referred to as homelessness prevention, may be provided to individuals and families who meet the criteria under the 'at risk of homelessness' definition, or who meet the criteria in the 'homeless' definition at 24 CFR 576.2 and have an annual income below 50 percent of median family income for the area, as determined by HUD. The costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in the program participant's current permanent housing or move into other permanent housing and achieve stability in that housing. Homelessness prevention must be provided in accordance with the housing relocation and stabilization services requirements in 24 CFR 576.105, the short- and medium-term rental assistance requirements in 24 CFR 576.106, and the written standards and procedures established under 24 CFR 576.400.

Landlord Incentives: ESG-CV funds may be used to pay for landlord incentives that are reasonable and necessary to obtain housing for individuals and families experiencing homelessness and at risk of homelessness. Landlord incentives may not exceed three times the rent charged for the unit. Eligible landlord incentives include:

- Signing bonuses equal to 2 months of rent.
- Security deposits equal to up to three months of rent, or the state statute.
- Costs to repair damages incurred by the program participant not covered by the security deposit or that are incurred while the program participant is still residing in the unit.
- Paying the costs of extra cleaning or maintenance of a program participant's unit or appliances.

### **REPORTING REQUIREMENTS**

HUD requires each recipient of ESG-CV funding to submit reports quarterly through the Sage HMIS Reporting Repository. Reports will be due 30 calendar days after the quarter ends. The reporting schedule and due dates are as follows:

**ESG-CV Report Submissions**

Start to September 30, 2020  
October 1, 2020 to December 31, 2020  
January 1, 2021 to March 31, 2021  
April 1, 2021 to June 30, 2021  
July 1, 2021 to September 30, 2021  
October 1, 2021 to December 31, 2021  
January 1, 2022 to March 31, 2022  
April 1, 2022 to June 30, 2022  
July 1, 2022 to September 30, 2022

**Due Date**

October 30, 2020  
January 30, 2021  
April 30, 2021  
July 30, 2021  
October 30, 2021  
January 30, 2022  
April 30, 2022  
July 30, 2022  
October 30, 2022

*Additional submissions as needed until the grant is closed out.*

Sub-recipients are required to input information on client's benefited into HMIS by the 15<sup>th</sup> of each month so the City can download the information in time to meet these quarterly reporting due dates.

**ESG-CV Waivers****Waiver No.10 of Memorandum dated 4/1/2020 – HMIS Lead Activities:**

Requirement: ESG-CV funds may be used to pay the costs of managing and operating the HMIS, provided that the ESG-CV recipient is the HMIS Lead. Citation: 24 CFR 576.107(a)(2)

Explanation: To enable ESG-CV-funded projects to participate in HMIS as required by section 416(f) of the McKinney-Vento Homeless Assistance Act, 24 CFR 576.107(a)(2) authorizes the use of ESG-CV funds for managing and operating the HMIS (e.g., hosting and maintaining HMIS software or data, upgrading, customizing, and enhancing the HMIS), only where the ESG-CV recipient is the HMIS Lead, as designated by the CoC.

Justification: Waiving the rule as specified below would allow more recipients to use ESG-CV funding to upgrade or enhance the HMIS as needed to incorporate ESG-CV program data related to COVID-19.

Applicability: The condition that the recipient must be the HMIS Lead to pay costs under 24 CFR 576.102(a)(2) is waived to the extent necessary to allow any recipient to use ESG-CV funds to pay costs of upgrading or enhancing its local HMIS to incorporate data on ESG-CV Program participants and ESG-CV activities related to COVID-19. This waiver is in effect for 6-months beginning on the date of this memorandum.

**Waiver No.11 of Memorandum dated 4/1/2020 - Re-evaluations for Homelessness Prevention Assistance:**

Requirement: Homelessness prevention assistance is subject to re-evaluation of each program participant's eligibility need for assistance not less than once every 3 months.

Citation: 24 CFR 576.401(b) Explanation: The ESG-CV regulations at 24 CFR 576.401(b) requires recipients or Sub-recipients providing homelessness prevention assistance to re-evaluate the program participant's eligibility, and the types and amounts of assistance the program participant needs not less than once every 3 months.

Justification: Waiving re-evaluation requirement for homelessness prevention assistance as specified below is necessary to help program participants remain stable in housing during the economic uncertainty caused by COVID-19.

Applicability: The required frequency of re-evaluations for homelessness prevention assistance under section 576.401(b) is waived for up to 2-years beginning on the date of this memorandum, so long as the recipient or Sub-recipient conducts the required re-evaluations not less than once every 6 months.

**Waiver No.12 of Memorandum dated 4/1/2020 - Housing Stability Case Management:**

Requirement: Program participants receiving homelessness prevention or rapid re-housing assistance must meet with a case manager not less than once per month, unless certain statutory prohibitions apply. Citation: 24 CFR 576.401(e)

Explanation: Under 24 CFR 576.401(e), the recipients or Sub-recipients must require program participants to meet with a case manager not less than once per month to assist them in ensuring long-term housing stability, unless the Violence Against Women Act of 1994 or Family Violence Prevention and Services Act prohibits the recipient or Sub-recipient from making its shelter or housing conditional on the participant's acceptance of services.

Justification: Recipients are reporting limited staff capacity as staff members are home for a variety of reasons related to COVID-19 (e.g., quarantining, children home from school, working elsewhere in the community to manage the COVID-19 response). In addition, not all program participants have capacity to meet via phone or internet. Waiving the monthly case management requirement as specified below will allow recipients to provide case management on an as needed basis and reduce the possible spread and harm of COVID-19.

Applicability: This waiver is in effect for three months beginning on March 31, 2020.

**Waiver No.13 of Memorandum dated 4/1/2020 - Restriction of Rental Assistance to Units with Rent at or Below Fair Market Rent (FMR)**

Requirement: Restriction of rental assistance to units with rent at or below FMR.  
Citation: 24 CFR 576.106(d)(1)

Explanation: Under 24 CFR 576.106(d)(1), rental assistance cannot be provided unless the total rent is equal to or less than the FMR established by HUD, as provided under 24 CFR Part 888, and complies with HUD's standard of rent reasonableness, as established under 24 CFR 982.507.

Justification: Quickly moving people into permanent housing is especially critical in preventing the spread of COVID-19. Waiving the limit on rental assistance to rents that are equal to or less than the

FMR, established by HUD, will assist recipients and Sub-recipients in more quickly locating additional units to house individuals and families experiencing homelessness.

Applicability: The FMR restriction is waived for any individual or family receiving Rapid Re-housing or Homelessness Prevention assistance who executes a lease for a unit during the 6-month period beginning April 1, 2020. The ESG-CV recipient or Sub-recipient must still ensure that the units in which ESG-CV assistance is provided to these individuals and families meet the rent reasonableness standard.

**Waiver No. 11 of Memorandum dated 9/30/2020 – Homeless Definition-Temporary Stays in Institutions of 90 Days or Less.**

Requirement: The definition of homeless in 24 CFR 576.2 includes under paragraph (l)(iii) an individual who is exiting an institution where he or she resided for 90 days or less and has resided in an emergency shelter or place not meant for human habitation immediately before entering that institution, which is an interpretation of §103(a)(4) of the McKinney-Vento Act which includes an individual who resided in a shelter or place not meant for human habitation and who is exiting an institution where he or she temporarily resided (emphasis added).

Citation: 24 CFR 576.2, definition of "homeless," (1)(iii)

Explanation: An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution are considered homeless per 24 CFR 576.2, definition of "homeless."

Justification: Recipients are reporting that program participants are residing in institutions for longer periods of time as a result of COVID-19 (e.g., longer time in jail due to a postponed court dates due to court closings or courts operating at reduced capacity and longer hospital stays when infected with COVID-19). Allowing someone who was residing in an emergency shelter or place not meant for human habitation prior to entering the institution to maintain their homeless status while residing in an institution for longer than 90 days is necessary to prevent the spread of COVID-19 by expanding housing options for people who were experiencing homelessness and institutionalized for longer than traditionally required due to COVID-19. This waiver is in effect for 6-months beginning on the date of this memorandum